

# Davison Van Cleve PC

TEL (503) 241-7242 • FAX (503) 241-8160 • mail@dvclaw.com

Suite 2460  
1000 SW Broadway  
Portland, OR 97205

Irion A. Sanger

RECEIVED BY BPA FOIA OFFICE THIS DATE: 8/7/03
DUE DATE: 9/5/03
LOG # 03-032

August 4, 2003

***Via Facsimile and U.S. Mail***

Annie Eissler, FOIA Officer  
Mail Stop C-4  
Bonneville Power Administration  
P.O. Box 3621  
Portland, OR 97208  
FAX: (503) 230-4508

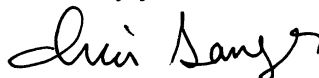
Re: Freedom of Information Act Request

Dear Ms. Eissler:

I am submitting this Freedom of Information Act ("FOIA") request pursuant to 5 U.S.C. § 552 (1996). Please provide a copy of the agreement between Bonneville Power Administration ("BPA") and PacifiCorp for BPA to return approximately 104,800 Mwh to PacifiCorp during heavy load hours this summer. The agreement is referenced in the attached article published by Clearing Up on July 21, 2003. The article is titled "Ordered to Arbitrate, BPA Settles Over Return for Disabled Meter." I am a practicing member of the law firm Davison Van Cleve, and this request is made for legal purposes.

I respectfully request that you respond more expeditiously than the standard twenty (20) days from the date of this letter as mandated by FOIA. I am willing to pay all reasonable costs associated with responding to this request in an expeditious manner. Please let me know if the costs will exceed \$150. Thank you for your assistance.

Sincerely yours,

  
Irion A. Sanger

### **18.31 Ordered to Arbitrate, BPA Settles over Return for Disabled Meter**

The Bonneville Power Administration and PacifiCorp last week executed a settlement resolving the latter's claim over the mysterious actions of a BPA meter. The meter, at a substation in the Eugene, - Oregon, area, failed to operate for five months during the height of the Western energy price spike crisis, resulting in the delivery of 38,000 MWh of PacifiCorp electricity to a BPA customer. The failure went undiscovered for a year.

Under long-standing practice, this "inadvertent interchange" would normally have been made up by BPA delivering the same amount of electricity back to PacifiCorp. But by the time the event was noticed in early 2002, power prices had declined significantly. PacifiCorp filed a claim for \$10.5 million. Last week, BPA agreed to return 104,800 MWh during heavy load hours this summer. The return is valued at about \$5.3 million, said BPA attorney Barry Bennett.

Neither side disputed the basic facts, Bennett said. But PacifiCorp demanded arbitration under its general transfer agreement (GTA) and/or exchange contract.

BPA refused, saying the facts applied to neither contract and that even if they did, neither contract's arbitration clause applied to the specific situation. On May 1, an Oregon Federal District judge disagreed, ordering BPA to arbitrate under the GTA. Settlement talks ensued.

Bennett said the failure and restart of the meter coincided with the beginning and ending of upgrade work BPA had hired Qwest to do, but he wouldn't talk about the prospect of a claim against Qwest. He said BPA wanted to be careful about assigning blame because "we have no direct evidence" that Qwest was at fault, "just the coincidence of time" **[B. T.]**.